

## PROGRAM MEASURES

**PROGRAM:**

Accounts Payable

**PROGRAM ELEMENT:**
**PROGRAM MISSION:**

Facilitate timely and accurate payments to vendors for goods and services provided to the County, ensure compliance with County policies and procedures, and effectively carry out State and Federal reporting requirements

**COMMUNITY OUTCOMES SUPPORTED:**

- Ensure high value for tax dollars
- Ensure accountability
- Insist upon customer satisfaction

**PROGRAM MEASURES**
**98 ACT**
**99 ACT**
**00 ACT**
**01 BUD**
**02 REC**
**Outcomes/Results:**

	98 ACT	99 ACT	00 ACT	01 BUD	02 REC
Ratio of total checks to checks returned as undeliverable	120:1	127:1	167:1	125:1	125:1

**Service Quality:**

Ratio of successful payments to stop payments processed	275:1	309:1	262:1	300:1	300:1
Estimated percentage of payments (\$5,000+) processed within 3 days <sup>a</sup>	98	98	98	98	98

**Efficiency:**

Program payments issued per program workyear (000) <sup>a</sup>	NA	NA	NA	TBD	TBD
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**Outputs/Workload:**

Number of payments issued (000) <sup>a,b</sup>	139	154	154	167	167
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**Inputs:**

Personnel expenditures (\$000) <sup>c</sup>	365	366	358	385	400
Workyears <sup>c</sup>	5.8	5.8	5.8	6.6	6.8

**Notes:**

<sup>a</sup>Because of the County's decentralized accounts payable system, information is not currently available on the number of payments processed by Finance program staff. In addition, at present, processing times are estimated. Program staff are working to develop accurate and reliable systems for capturing data related to program payments.

<sup>b</sup>Includes investment transactions. Implementation of Procurement Cards (PCard), begun in FY00, should eventually reduce the number of checks. However, staff must be available to provide technical assistance and audit services.

<sup>c</sup>Operating expenses are included under Administration. FY98 - FY00 reflect budgeted workyears. FY02 workyears will increase due to annualization of a PCard position added in FY01.

**EXPLANATION:**

The accounts payable process within Montgomery County is decentralized. Payments to vendors are initiated and approved by individual departments. The Accounts Payable Program is responsible for review and final approval of all payments of \$5,000 or more. Payments under \$5,000 are either individually reviewed and approved or potentially subject to post-payment audits.

Ideally, all payments made by the County are received by the payees. However, some checks turn out to be undeliverable due to incorrect addresses or other problems. The Accounts Payable Program works to limit the number of returned checks, in partnership with departments. Sometimes checks that are undeliverable due to incorrect addresses or other problems must be stopped so they will not be inappropriately cashed. While minor improvements have been made in reducing the number of checks returned as undeliverable, the ratio of successfully issued checks to stop payments has fluctuated.

**PROGRAM PARTNERS IN SUPPORT OF OUTCOMES:** County departments, vendors.

**MAJOR RELATED PLANS AND GUIDELINES:**